

HOUSE BILL NO. 648

INTRODUCED BY YOUNKIN

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4 A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING THAT A REPRODUCTIVE TECHNOLOGY BUSINESS  
5 HAS A LIEN ON ANIMAL EMBRYOS OR SEMEN UNTIL THE AMOUNT DUE FOR SERVICES IS PAID;  
6 DEFINING "REPRODUCTIVE TECHNOLOGY BUSINESS"; PROVIDING THAT A LIEN CREATED UNDER THE  
7 AGISTERS' LIEN LAWS BY A REPRODUCTIVE TECHNOLOGY BUSINESS MAY NOT TAKE PRECEDENCE  
8 OVER OTHER LIENS UNLESS THE REPRODUCTIVE TECHNOLOGY BUSINESS PROVIDES NOTICE TO  
9 OTHER LIENHOLDERS OR SECURED PARTIES WITHIN ~~180~~ 120 30 DAYS FROM THE TIME OF RECEIVING  
10 HARVESTING OR COLLECTING THE PROPERTY EMBRYOS OR SEMEN; AMENDING SECTIONS 71-3-1201  
11 AND 71-3-1202, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

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13 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

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15 NEW SECTION. **Section 1. Definition.** For the purposes of this part, "reproductive technology  
16 business" means a business that collects, processes, packages, and stores ~~genetic material~~ EMBRYOS OR SEMEN  
17 from animals or provides breeding services for compensation.

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19 **Section 2.** Section 71-3-1201, MCA, is amended to read:

20 **"71-3-1201. Who may have lien -- agisters' lien -- lien for service -- towing and storage lien. (1)**  
21 (a) If there is an express or implied contract for keeping, feeding, herding, pasturing, or ranching stock, a  
22 ranchman rancher, farmer, agister, herder, hotelkeeper, livery, or stablekeeper, or reproductive technology  
23 business to whom any horses, mules, cattle, sheep, hogs, or other stock are entrusted has a lien upon the stock  
24 for the amount due for keeping, feeding, herding, pasturing, or ranching the stock or for providing a service listed  
25 in subsection (1)(b) and may retain possession of the stock until the sum due is paid.

26 (b) If there is an express or implied contract for collecting, processing, packaging, or storing genetic  
27 material EMBRYOS OR SEMEN from livestock provided for in this subsection (1), a reproductive technology business  
28 to whom embryos or semen is entrusted AND WHO STILL HAS POSSESSION has a lien upon the embryos or semen  
29 for the amount due for collecting, processing, packaging, or storing the genetic material, embryos, or semen and  
30 may retain possession of the genetic material, embryos, or semen until the sum due is paid.

1 (2) Every person who, while lawfully in possession of an article of personal property, renders any service  
 2 to the owner or lawful claimant of the article by labor or skill employed for the making, repairing, protection,  
 3 improvement, safekeeping, carriage, towing, or storage of the article or tows or stores the article as directed  
 4 under authority of law has a special lien on it. The lien is dependent on possession and is for the compensation,  
 5 if any, that is due to the person from the owner or lawful claimant for the service and for material, if any,  
 6 furnished in connection with the service. If the service is towing or storage, the lien is for the reasonable cost  
 7 of the towing or storage."

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9 **Section 3.** Section 71-3-1202, MCA, is amended to read:

10 **"71-3-1202. Priority.** (1) Subject to subsection (4), the ~~The~~ lien hereby created ~~shall~~ may not take  
 11 precedence over perfected security interests under the Uniform Commercial Code--Secured Transactions or  
 12 other recorded liens on the property involved unless, within 30 days from the time of receiving the property, the  
 13 person desiring to assert a lien ~~thereon shall give~~ upon the property gives notice in writing to ~~said the~~ secured  
 14 party or other lienholder, stating ~~his the~~ intention to assert a lien on ~~said the~~ property, under the terms of this part,  
 15 and stating the nature and approximate amount of the work performed or feed or other services furnished or  
 16 intended to be performed or furnished ~~therefor~~.

17 (2) ~~Such service~~ Service may be made either by personal service or by mailing by registered or certified  
 18 mail a copy of ~~said the~~ notice to the secured party or other lienholder at ~~his the~~ last-known post-office address.  
 19 ~~Said service shall~~ Service must be deemed considered complete upon the deposit of the notice in the post office.

20 (3) Within 20 days after the date of ~~such~~ mailing or 10 days after ~~such~~ personal service, the secured  
 21 party or other lienholder or ~~his the~~ the secured party's or other lienholder's representative ~~shall have~~ has the right  
 22 to take possession of ~~said the~~ property upon payment of the amount of the lien ~~then accrued~~. A failure on the  
 23 part of ~~such the~~ secured party or other lienholder ~~so to do shall constitute~~ to take possession of the property  
 24 constitutes a waiver of the priority of ~~such the~~ security interest or other lien over the lien created by this part.

25 (4) With regard to a reproductive technology business, the lien created may not take precedence over  
 26 perfected security interests under the Uniform Commercial Code--Secured Transactions or other recorded liens  
 27 on the property EMBRYOS OR SEMEN involved unless, within ~~180~~ ~~120~~ 30 days from the time of receiving  
 28 HARVESTING OR COLLECTING the property EMBRYOS OR SEMEN, the person desiring to assert a lien upon the  
 29 property EMBRYOS OR SEMEN gives notice in writing to the secured party or other lienholder stating the intention  
 30 to assert a lien on the property EMBRYOS OR SEMEN, under the terms of this part, and stating the nature and

1 approximate amount of the work performed or other services furnished or intended to be performed or  
2 furnished."

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4 NEW SECTION. Section 4. Codification instruction. [Section 1] is intended to be codified as an  
5 integral part of Title 71, chapter 3, part 12, and the provisions of Title 71, chapter 3, part 12, apply to [section 1].

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7 NEW SECTION. Section 5. Saving clause. [This act] does not affect rights and duties that matured,  
8 penalties that were incurred, or proceedings that were begun before [the effective date of this act].

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10 NEW SECTION. Section 6. Effective date. [This act] is effective on passage and approval.

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